



## Lowe's Sales Tax Revenue Should Fund Historic Preservation

Posted by [Pierluigi Oliverio](#) on Monday, May 07, 2007

### City Hall Diary

During my first month in office, I have attended various community meetings. The residents at these meetings continue to share that they want their parks maintained, swimming pools opened, traffic calming measures funded, historic neighborhoods preserved, bike lanes installed, trails completed and the list goes on. Most, if not all, of these needs require money. Streets don't pave themselves and speed bumps to calm traffic don't just bubble up from the street. For a city of its size, San Jose is the "biggest city" that receives the least from its sales tax revenue base. Part of the sales tax problem is that San Jose has made poor land use decisions regarding the location of retail centers. For example, Campbell and Milpitas built retail centers on the periphery of San Jose; therefore, their sales tax revenue increased because San Jose residents went there to shop. San Jose needs to take advantage of its borders and make land use decisions that generate tax revenue.

This brings me to the discussion of IBM's land on which one of its former buildings—Building 25—has sat vacant for the past twelve years.

On May 1st, I voted to allow Lowe's to develop a store on the IBM site. This vote will result in the demolition of Building 25. I acknowledge and recognize the building was constructed in 1956 and that it was occupied by IBM employees. (An important historical fact is that the invention of the "hard drive" occurred in downtown San Jose at 99 Notre Dame Ave., not in South San Jose.)

The building has been dormant since 1995. In fact, for the past twelve years, no one spoke up for preserving Building 25. Only when Lowe's had a proposal on the table did the discussion of "historic value" enter the picture in an attempt to save the building. However, two other IBM buildings across the street at the Hitachi site have been preserved.

Placing retail in South San Jose is a smart decision; it retains the sales tax in San Jose and stops the sales tax dollars from bleeding to the south. Lowe's also provides incentive to residents of Morgan Hill and other cities to the south to

shop in San Jose. Lowe's will be an anchor store providing a foundation for other retail to locate there.

My goal is to preserve our historic neighborhoods where people actually live. Communities like Willow Glen, Buena Vista and Shasta-Hanchett, among others, deserve to have their neighborhood characters preserved.

At the council meeting on May 1st, I proposed to put a portion of the \$450,000-\$500,000 of sales tax revenue generated from Lowe's into initiatives that promote conservation districts in our historic neighborhoods. The cost to fund an audit of a conservation district in San Jose is roughly \$25,000. Conservation districts offer some protection for our historic neighborhoods, like Palm Haven in Willow Glen and Naglee Park downtown.

If we are serious about preserving our historic neighborhoods, then we need to put money towards establishing those conservation districts now. That is why I support a portion of the sales tax revenue generated from Lowe's to fund conservation districts for our established historic neighborhoods

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